



FMF FOODS LIMITED.

(Formerly Flour Mills of Fiji Limited)

SUBSIDIARY COMPANIES

ATLANTIC & PACIFIC PACKAGING COMPANY LTD, THE RICE COMPANY OF FIJI LTD
BISCUIT COMPANY OF (FIJI) LIMITED, PEA INDUSTRIES LIMITED, DHF LIMITED
FMF SNAX LIMITED, FMF INVESTMENT COMPANY LIMITED

P.O.BOX 977 , LEONIDAS STREET , WALU BAY , SUVA .

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The Right
Choice

Clarificatory statement in response to news item on Fiji Broadcasting Corporation's website

In response to an article appearing today on Fiji Broadcasting Corporation's website, FMF Foods Limited wishes to clarify that one of its subsidiaries, Biscuit Company of (Fiji) Ltd had experienced a significant reduction in export sales to Australia during the period Mar-May 2012 when compared with the same period last year. The drop was mainly in export of third party private label products to Australia, which have since returned to normal levels. Given the nature of the Company's business which is strongly export orientated and order dependent, its workforce comprises a portion of fixed-period contract employees that are engaged only during periods of high orders. Such workers are not engaged when the quantum of work does not warrant; the article cited ostensibly refers to such workers. From mid May 2012, the Company has re-engaged nearly 90% of these workers.

By order of the Board

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Ram Bajekal', written over a light blue horizontal line.

Ram Bajekal
Group CEO

Suva: June 7, 2012